

The Fourth Quarter 2008 Job Vacancy Study

Analyzing the Demand for Labor in Metropolitan Utah

Despite sobering statistics, the average offered wage for metropolitan openings has remained stable.

The unemployment rate is the highest it has been in years, job growth has ceased and year-over average wage growth has slowed. The current labor market environment is such that those planning a career, seeking employment or feeling underutilized are facing a more questionable outlook than in years past. Data produced from the Department of Workforce Services' 2008 Job Vacancy Study—which is designed to profile the demand for labor—supports the notion that Utah's labor market has experienced a considerable downturn in demand since the fourth quarter of 2007.

More saliently, the job vacancy rate in metropolitan Utah was 1.8 percent during the fourth quarter of 2008. This is the lowest vacancy rate in our four years of analysis

and contrasts starkly from the 2007 rate of 3.3, which was captured prior to the current recession. Almost every sector witnessed a decrease in openings since 2007 and the construction industry's openings have all but evaporated since then. The data also suggests that open jobs are filling faster than when previously surveyed. In 2007, 32 percent of the openings were vacant for less than 30 days. Most recently, 51 percent of the openings were less than 30 days old. The increase in the ratio of jobseekers to openings is the most likely contributor to this phenomenon.

Another vacancy statistic unfavorable for job seekers is the reduction in openings offering employer-provided benefits. Fifty-two percent of job openings offered some kind of benefit during the survey period, whereas 63 percent offered some kind of benefit the year before. If you were seeking full-time or permanent employment in 2008, your odds of finding it were worse than in 2007. The percentage of openings for full-time employment fell 12 percent since 2007 and the percentage of openings for permanent employment fell 13 percent.

Is it just me or does this analysis need some Prozac? Despite the sobering statistics, the 2008 Job Vacancy Study provides some reasons for optimism. To start, the average offered wage for metropolitan openings has remained



stable. In a contracting economy, competition for employment increases and employers have leverage to offer less money for the same work. As of the fourth quarter of 2008, that had not yet materialized in the context of metropolitan Utah job openings. The average offered wage was \$13.40/hr, compared to \$13.10/hr in 2007.

Second, even in a slowing economy, there are some occupations that employers still have a difficult time filling. As defined by the Job Vacancy Study, openings for difficult-to-fill occupations are generally characterized by being

open for longer than 60 days or “always open,” having above-average advertised wages and requiring some form of post-secondary education or training.

As seen in the accompanying table, many healthcare and engineering occupations met the difficult-to-fill criteria during the fourth quarter of 2008. In fact, registered nurses and computer software engineers have been a mainstay of demand since 2004, as they have posted above-average vacancy rates every year surveyed.

Finally, economic forces that affect industrial and occupational job vacancy

statistics can be very dynamic. Factors such as an evolving/transitioning economy, outsourcing, seasonality, the business cycle and the national economic climate can all greatly impact how a given job vacancy study ultimately actualizes.

Consequently, openings statistics have the potential of going from bad to better rather quickly, depending upon the external influences. If you currently possess a skill set in short supply, though, you could find yourself at the top of a very short interview list long before the next vacancy study is released. ⓘ

Difficult to Fill Occupations

Occupation	Estimated Openings	Vacancy Rate	Average Advertised Wage	Percent Open 60 Days or Always Open
Registered Nurses	625	4.5%	\$28.30	27%
Computer Software Engineers, Applications	134	3.6%	\$34.50	53%
Mechanical Engineers	89	4.0%	\$34.30	84%
Surgical Technologists	65	11.6%	\$20.60	83%
Pharmacists	56	3.7%	\$48.40	55%
Plumbers, Pipefitters, and Steamfitters	48	1.2%	\$18.50	80%
Civil Engineers	47	2.4%	\$29.20	82%
Electrical Engineers	35	4.5%	\$36.70	66%

2004—2008 Metropolitan Job Vacancy Study Results

